

Chairs and Distinguished Members of the Finance Committee,

My name is Michael Coviello and I am writing in reference to Bill 5561 that addresses the reinstatement of the State sales tax exemption for high mileage passenger motor vehicles. I am submitting this letter due to the fact that I am unable to attend to speak in person.

I first contacted State Representative Lezlye Zupkus several months ago to address a concern that not only I have had for a long time, but that has been expressed by many people that I have discussed the matter with over the course of two years. This matter is the lack of State incentives for people who own or purchase high mileage passenger motor vehicles, i.e. Tesla Model S to name one. I will be referencing the Tesla Model S because it is currently the longest-range vehicle on a charge. The Model S currently will cover 300 miles on a charge while driving at 55 miles per hour. This has been one of the biggest developments with electric vehicles. Many electric vehicles currently on the market now and that have been on the market in years past, could not achieve such a long range on a single charge. While this has been a great achievement, the lack of incentives by the State of Connecticut, has been a deterrent not only for myself, but also for many others. Currently, the Federal Government offers a \$7,500 credit on the purchase of an all-electric vehicle, but the State of Connecticut does not provide any incentives. This is an enormous problem given the ever-growing deterioration of our environment and the significant impacts that gas powered vehicles contribute to on a daily basis. Below are just a few of the added benefits of electric vehicles and why the State of Connecticut should be providing incentives to get residents into more electric vehicles:

- Electric vehicles emit NO tailpipe pollutants (US Department of Energy)
- Vehicles requiring less gasoline, reduce the greenhouse gas emissions
- Using hybrid and plug-in electric vehicles instead of conventional vehicles can help reduce U.S. reliance on imported petroleum and increase energy security.

Another concern that I addressed with Rep. Zupkus, was not only eliminating the State of Connecticut sales tax, but also eliminating the State of Connecticut Property Tax, which would be a much bigger incentive. This has been a contention for many years amongst taxpayers in this State. Mainly the fact that not only do we pay a sales tax when we purchase the car, but we also have to pay a car tax every year on vehicles just to own it. This has not only

kept myself but many others from purchasing some vehicles due to the outrageous amount of money that we would be paying for the vehicle in car taxes each year. By using the Tesla Model S as an example, the cost of purchasing a new Tesla Model S averages approximately \$90,000. Depending on the City/Town one lives in, the vehicle tax could be as high as \$1000 per year and in some Cities/Towns even higher. By the State of Connecticut offering an incentive to people not only purchasing new electric vehicles, but pre owned electric vehicles as well, by way of no car tax and no sales tax, would provide prospective buyers with a large financial incentive to make that purchase. When you compound the financial incentive with the environmental benefit, it becomes a win-win situation all around.

With the increasing amount of vehicles traveling the roads every year and the increased negative impact on our environment, the State of Connecticut should be looking into ways to provide and encourage residents to own and operate electric vehicles. By eliminating the sales tax and eliminating the property tax on electric vehicles, both purchased new and pre-owned, would be a step in the right direction.

Respectfully,

Michael Coviello